

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2120 - SB 2811**

February 21, 2022

**SUMMARY OF BILL:** Amends the Tennessee Food Safety Act. Authorizes a mobile food unit, having a valid permit, to operate on private property if the property owner, or property owner's designee, has given such unit permission to operate. Establishes requirements of mobile food units, which include:

- Be maintained in good operating order;
- Provide a marked waste receptacle for customers to use;
- Collect, remove, and dispose of all refuse within 25 ft. of the unit's operating area at conclusion of service;
- Submit and pass health inspections required by the Act; and
- Annually submit to and pass 1 local fire inspection anywhere in this state.

Prohibits local governments from regulating or prohibiting the operations of a mobile food unit on private property, except to enforce health and fire inspections.

**FISCAL IMPACT:**

**Decrease Local Revenue – Exceeds \$10,000/FY22-23 and Subsequent Years**

Assumptions:

- This legislation will prohibit the regulation of mobile food units by local governments. It is assumed that all such mobile food units hold a permit pursuant to Tenn. Code Ann. § 68-14-706.
- The current number of municipalities in this state that currently regulate mobile food units and the total number of regulated mobile food units statewide are both unknown.
- Fiscal Review Committee staff attempted to contact the governing bodies of the four most populous municipalities in Tennessee, including Chattanooga, Knoxville, Memphis, and Nashville, but were unable to establish correspondence with any such government.
- Currently, the Metropolitan Government of Nashville and Davidson County has a mobile food pilot program.
- This program currently charges \$55 at the time of application. No other fees are known to be associated with this program.
- Currently, the Shelby County Health Department charges an annual permit of \$150 for each mobile food unit.

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- The City of Knoxville currently has a mobile food unit permitting program. The program charges \$200 for initial permits that are valid for one year and temporary permits for \$75 that are valid for up to three consecutive days.
- The City of Chattanooga charges an annual fee of \$50 for a mobile food permit.
- This legislation authorizes local governments to require mobile food units to pass health and fire inspections, which are assumed to be required currently.
- Due to the lack of available information from local governments, the exact decrease in local revenue cannot be determined, but is reasonably estimated to exceed \$10,000 in FY22-23 and subsequent years.
- Any decrease in local government expenditures associated with the prohibition on regulation of mobile food units is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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